

11-42-205 Unimproved property.

- (1)
- (a) Before a local entity may designate an assessment area in which more than 75% of the property proposed to be assessed consists of unimproved property, and designation of the assessment area would require that the local entity issue bonds, the local entity shall obtain:
 - (i) an appraisal:
 - (A) of the unimproved property;
 - (B) from an appraiser who is a member of the Appraisal Institute;
 - (C) addressed to the local entity or a financial institution; and
 - (D) verifying that the market value of the property, after completion of the proposed improvements, is at least three times the amount of the assessments proposed to be levied against the unimproved property; or
 - (ii) the most recent taxable value of the unimproved property from the assessor of the county in which the unimproved property is located, verifying that the taxable value of the property, after completion of the proposed improvements, is at least three times the amount of the assessments proposed to be levied against the unimproved property.
 - (b) If the owner of the unimproved property has entered into a construction loan acceptable to the local entity to finance the facilities to be constructed or installed on the unimproved property, the market value of the unimproved property, as determined under Subsection (1)(a)(i), may include, at the local entity's option:
 - (i) the principal amount of the construction loan; or
 - (ii) the value of the unimproved property with the facilities to be financed by the construction loan, as determined by an appraisal of:
 - (A) the unimproved property; and
 - (B) the facilities proposed to be constructed.
- (2) With respect to the designation of an assessment area described in Subsection (1)(a), the local entity may require:
- (a) financial information acceptable to the governing body with respect to the owner's ability to pay the proposed assessments;
 - (b) a financial institution's commitment securing, to the governing body's satisfaction, the owners' obligation to pay the proposed assessments; or
 - (c) a development plan, approved by a qualified, independent third party, describing the plan of development and the financial feasibility of the plan, taking into account growth trends, absorption studies, and other demographic information applicable to the unimproved property.
- (3) Information that an owner provides to a local entity under Subsection (2)(a) is not a record for purposes of Title 63G, Chapter 2, Government Records Access and Management Act.

Amended by Chapter 388, 2011 General Session